

Raleigh, N.C.

A High Income Is Hardly Worth It

Regarding Mike Donahue's "[A Message from 'Henry'](#)" (op-ed, April 15): My husband and I are "Henrys," (high earners, not rich yet). He was the first in his family to become a physician, I was the first to become a lawyer. Like many other Henrys, we are paying down massive student-loan debt, living within our means, and funding everyone else's irresponsible tax-subsidized lifestyle. Because of this we forgo extras, like fancy smartphones.

As a physician, my husband sees the fairness of the liberal tax code every day when his Medicaid patients enter the room texting on these phones we cannot afford. When the tax recipient has a higher quality of life than the taxpayer, well, I call that unfair.

Heidi Adams

Clearfield, Pa.

I embrace the virtues of Mr. Donahue—earn and get ahead, and personal responsibility—but I've come to a different conclusion. Mr. Donahue wonders, "why does the government feel so entitled to steal from many in order to give it to others?" It seems to me that the government gives me the world's most powerful military, glorious national parks, as well as safe roads and workplaces.

I feel rich, yet my income of almost \$4,000 a month is apparently considered borderline poverty in today's America.

Jim Malusa

Tucson, Ariz.

Crony Capitalism Is the Enemy of Truly Free Markets

Gerald O'Driscoll's excellent "[An Economy of Liars](#)" (op-ed, April 20) ends too soon. Crony capitalism is merely the first phase of an imposed interventionist welfare state on a free-market economy. As our country continues its descent down Frederick von Hayek's "road to serfdom," our politicians and their apologists are being transformed from liars to demagogues.

The anticapitalist mentality ingrained in egalitarianism and envy is taking our country closer to the path taken by Argentina as that country steadily declined from being one of the world's richest countries to one of its poorest in the last century. Recovery still remains an illusion for Argentina, and possibly it will for us as well.

While the most immediate and visible consequences from this shifting change are the unfunded, contingent liabilities and growing deficits in both the public and private sectors, the far more dire result is the massive destruction of accumulated wealth and the disincentives for its replacement which this anticapitalist mentality of expanding wealth transfer by political edicts is generating.

As the indebtedness and regulatory grasp of the political process expand, it's becoming obvious that the government parasite is killing its market host. The wealth destruction occurring today, coupled with the undermining of market incentives to replace it, inexorably assures a declining material standard of living ahead.

Unless a drastic change in our political climate comes soon, with a restoration of market wealth generating prospects for future entrepreneurs, Americans may find themselves doing the bidding of the Chinese rather than buying their goods.

Robert G. Anderson

Sheridan, Wyo.

Mr. O'Driscoll's piece really struck home with me. I joined the Energy Research and Development Administration, the Department of Energy's predecessor, in 1977. My boss laid down the law as soon as I got there. He said, "Your job is to buy projects and services from the contractors for the taxpayer. Your job is to buy the best quality of work you can for the buck. Be a good steward of the taxpayers' money."

I never forgot his charge and I conducted all my business for ERDA and then DOE according to those principles. And it got me in no end of trouble. I was told I was not a team player, that I managed by the book, and when Vice President Al Gore sent out questionnaires soliciting ideas for reinventing government, I was told not to submit any of my harebrained ideas.

Based upon my experience, I can say that Mr. O'Driscoll is squarely on the mark. Crony capitalism/contracting is a root cause of miserable government performance.

Rodger Jump

Conifer, Colo.

Greek Debt Raises Extensive Issues

Your editorial "[Europe's Bear Stearns](#)" (April 24) criticizing the help provided by the international community to the government of Greece cynically downplays the global financial risks tied to a Greek debt restructuring. The issue here is not the economic losses to bondholders of Greek debt, but the likelihood that investors that sold insurance on Greek debt to the market (credit default swaps on Greek bonds) more than likely immunized their long exposure to Greece with a negative bet in other southern European sovereigns. If an event of default takes place (i.e., a stoppage on interest payments is declared and CDS become operational), then investors will force the cost of protection of other European countries to prohibitive levels, because they will be forced to further increase their short position in other European countries.

That increase will also dramatically increase the CDS spread in European banks, forcing them to take major accounting losses. The German finance minister is right. Greece is very much the same as Lehman Brothers, just 10 times more dangerous. Let's get real, people. Moral hazard is a minimal concern compared to the possible havoc that a hands-off attitude could generate.

Alberto J. Bernal

Miami